Waltham Community Electricity Frequently Asked Questions

What is the Waltham Community Electricity program?

Waltham Community Electricity is an electricity supply program organized by the City of Waltham. The program provides residents and businesses with new, City-vetted options for electricity supply.

The program was approved by City Council in 2018, then presented for public review and City Council approval in 2019. The Department of Public Utilities approved the program plan in November of 2020, which allowed the City to launch the program in the spring of 2021.

The program, known as municipal aggregation, is authorized by state law, M.G.L. Chapter 164 Section 134. The purpose of the law was to enable cities and towns to deliver the benefits of the competitive electricity market to their residents and businesses. The law empowers the municipality to create a large buying group of the electricity customers within its boundaries that are not yet using a competitive electricity supply. Using that buying power, the municipality then sets the terms and conditions for an electricity supply and solicits competitive bids. More information about the municipal aggregation law can be found at https://www.mass.gov/info-details/municipal-aggregation.

What is the Program Notification (Opt-Out) letter and why is it sent?

The Program Notification letter sent to eligible customers is a notification to the consumer that the program will start in the near future. It includes a description of the program, the rates for all electricity supply products offered, explanation of the automatic enrollment procedure, and instructions for how to opt out of (i.e. not join) the program. Direct Energy is the supplier for the Waltham Community Electricity program.

The municipal aggregation law (M.G.L. Chapter 164 Section 134) requires that the program is run on an opt-out basis – meaning that every eligible consumer is offered the chance to opt-out and anyone that does not elect to opt out will be automatically enrolled. Importantly, once enrolled, anyone may choose to leave the program at any time without penalty.

The letter is a requirement from the Department of Public Utilities (DPU), which has reviewed and approved the letter.

Why is the program an Opt Out program, instead of an Opt In?

Municipal aggregation is authorized as an opt-out program by state law, M.G.L. Chapter 164 Section 134. The law requires that the program give all eligible participants a chance to opt-out. Anyone that does not elect to opt-out will be automatically enrolled in the program. The purpose of the opt-out design is to build a large enough group of participants to provide economies of scale for competitive bidding. In this way, municipal aggregation can give residents and small businesses access to the same kind of buying power as many of the largest electricity users.

Who made the decision for Waltham to take part in the program?

The City Council voted to authorize the City to pursue the program in 2018. The municipal aggregation law requires the DPU to review and approve the City's plan for the program. That approval was completed in November 2020. The City ran a competitive bid in late winter 2021, enabling the program to launch in mid-2021.

How was the renewable energy percentage chosen?

The City Council voted to launch the program with a standard product that includes 10% additional renewable energy certificates (MA Class I RECs) to support the growth of the renewable energy development in New England and speed up our transition to a sustainable future.

Eligible consumers will be automatically enrolled into the Standard Product (Waltham 10). The program also offers three optional products from which consumers may choose.

- two options that offer even more renewable energy: 50% (Waltham 50) and 100% (Waltham 100) RECs to cover a consumer's electricity consumption; and
- an option that meets the state requirements (i.e. does not offer any additional renewable energy)

What are the program benefits?

The program offers a more stable price compared to the utility supply, called Basic Service. Basic Service rates change every six months, whereas the program rates are fixed for until December 2023. Also, the program is designed to be cost competitive with the utility's Basic Service, although future savings cannot be guaranteed because future utility rates are unknown. The program also offers expanded choice and access: the program's four electricity supply products are open to any resident or business in the community, regardless of your financial situation, and you can leave the program at any time, without penalty.

Who do I call about the program?

You would contact the supplier, Direct Energy at (866) 968-8065 with questions about the program and your participation. You can also complete a Contact Us form on the website Waltham-CEA.com with comments or suggestions about the program.

How is this program different from the electricity solicitation letters I receive in the mail or even my phone?

This program is designed and overseen by the City of Waltham, which means we have put the needs of our residents and business first. Many of the other offers you may receive require credit checks to join and have termination penalties to leave. The program has no minimum requirements to join and there is never any penalty to leave or switch products. Also, the additional renewable energy in the program comes from New England, sourced by a local non-profit Green Energy Consumers Alliance, so we can change the electricity grid here, in New England, and move away from burning fossil fuels. Many offers may source renewable energy from outside or region or not disclose its location.

Check for the city seal and the name Waltham Community Electricity on materials you receive to ensure that you're getting the correct information.

Who may participate in the program? How do I sign up? Do I have to sign a contract?

Any resident or business in Waltham can participate and no contract is required. If you are an eligible customer, you will get a Program Notification (opt out letter) and no action is required to join. After the program has started, you can also call Direct Energy at (866) 968-8065 to sign up or complete the form on the website Waltham-CEA.com.

Electricity customers who are enrolled with a third-party supplier will not receive the opt-out letter and will not be automatically enrolled. These customers can voluntarily join the program but may be subject to penalties or early termination fees from the third-party supplier if they switch to the electricity aggregation program during the term of their contract.

How can I compare Waltham Community Electricity product rates?

The program website, Waltham-CEA.com, has a calculator with the different program options as well as a calculation of the current utility rate for the supply portion of your electricity.

When does the new price/kWh start and how long will the program last?

The program starts with your May 2021 meter read and continues through the December 2023 meter read. You can check the exact date of your meter read on your electricity bill.

What part of my electricity bill will be affected? Will delivery charges increase?

The program affects only the supply portion of your electricity bill; thus the delivery portion of your electricity will remain as before.

Who sends me the electricity bill?

Your electricity bill will continue to come from the utility. The only change you will notice is the Supplier line and the rate for your chosen electricity product.

How will my solar or utility discount benefits be impacted?

Your solar and any Low Income or Budget benefits are unaffected by the program. You will continue to receive them from the Utility.

How can I make a different election to the standard product?

Complete the Change Product form on the program website, Waltham-CEA.com, or call the supplier Direct Energy at (866) 968-8065 to change your product of choice.

Can I benefit from the program without paying for any additional renewable energy certificates?

Yes – the Basic option, called Waltham Basic, is a great choice for that. Complete the Change Product form on the program website, Waltham-CEA.com, or call the supplier Direct Energy at (866) 968-8065 to change to Waltham Basic.

How do I leave (opt out) the program?

During program enrollment, you can leave the program by completing the Opt-Out card (included in your Program Notification letter), call the supplier Direct Energy at (866) 968-8065 or complete a form on the website: Waltham-CEA.com.

What happens if I move to a new address in our City?

You will open a new utility account and you will receive a new Program Notification letter at your new address, explaining the program and listing program rates. You will be automatically enrolled if you take no action. You can proactively enroll in the aggregation program by using the website or calling the supplier once you have your new utility account.

Who do I call if there is a power outage?

Call/contact the utility company as they are responsible for the needed repairs.

Where is the renewable energy coming from?

The <u>additional Renewable Energy Certificates</u> (MA Class I RECs) included for the program is provided by the non-profit Green Energy Consumers Alliance. All of the renewable energy generation is located in New England and qualifies MA Class I designation.

What is the tax deduction for the Waltham 50 and Waltham 100 products?

The additional renewable energy certificates in the Waltham 50 and Waltham 100 products are provided by a non-profit organization, Green Energy Consumers Alliance. Because of the non-profit status of Green Energy Consumers, the additional cost for the <u>additional</u> renewable energy certificates is considered a donation, and therefore could qualify for a tax deduction. In January, Green Energy Consumers Alliance sends participants a tax letter outlining the amount of renewable energy certificates that were purchased as part of their participation in the Waltham 50 or Waltham 100 products.

How can I learn more about the program?

The program website has a lot of information: Waltham-CEA.com and keep an eye out for community meetings organized by the City of Waltham.